

SETTLEMENT AGREEMENT

This Agreement is made by and between Schreiner University of Kerrville, Texas (OPE ID #00361000) (Schreiner) and the United States Department of Education (Department), Federal Student Aid (FSA), acting through its Director, Administrative Actions and Appeals Division, and is effective the latest date opposite the signatures below.

A. On June 25, 2009, the Department sent a letter to Schreiner informing Schreiner that the Department intended to fine Schreiner \$55,000 (hereafter "the proposed fine action") based on the Department's findings that Schreiner had failed to comply with the requirements of the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (the Clery Act) included in §485(f) of the Higher Education Act of 1965, as amended. Under the Clery Act, institutions of higher education are required to report accurate and complete campus crime statistics to the Department and to the institution's students and their parents. The Clery Act also requires institutions to establish and maintain certain procedures and records.

B. The proposed fine was based on the results of a Program Review Report issued by FSA and dated September 18, 2008. The Program Review Report concluded that Schreiner had violated the Clery Act by failing to include in its campus crime statistics an alleged sex offense that had allegedly been reported to a campus security official at the institution in 2005. After receiving the Program Review Report, Schreiner revised its campus crime statistics for 2005 to reflect the reported alleged sex offense.

C. In accordance with the Department's regulations, Schreiner appealed the proposed fine action and requested a hearing on July 14, 2009. The appeal was assigned to the Department's Office of Hearings and Appeals and docketed as In the Matter of Schreiner

University, Docket No. 09-36-SF. FSA and Schreiner filed briefs in accordance with the briefing schedule.

D. As part of its appeal, Schreiner acknowledged that the alleged sex offense was not originally included in its campus crime statistics but presented evidence to demonstrate that the sex offense was not reported to the institution until 2007. For purposes of this settlement, the Department accepts Schreiner's representation that the alleged sex offense was not reported to Schreiner until 2007.

E. Schreiner and the Department have agreed to resolve the proposed fine action without any further administrative procedures.

F. Nothing in this Agreement shall constitute an admission of liability or wrongdoing by Schreiner.

In consideration of the mutual covenants and conditions contained in this Agreement, and intending to be legally bound, the parties agree as follows:

1. Schreiner agrees to pay \$42,000 to the Department to resolve the proposed fine action. Schreiner will present a check for \$42,000 to the Department with duplicate originals of this Agreement signed by an authorized official of Schreiner.

2. Schreiner agrees to modify its campus crime statistics for 2005 and 2007 to remove the alleged sex offense that was the basis for this action from the statistics for 2005 but include it in the statistics for 2007. Schreiner agrees that any crime statistics for these years which are provided to its students, employees, the Department or the public after the date of this agreement will reflect these changes.

3. Schreiner agrees to submit its policies and procedures for determining when to include a reported crime in its campus crime statistics to the Department. Schreiner

agrees to submit these policies to the Department's representative with the executed originals of this settlement agreement. The Department will provide any comments or request any changes within 30 days of receiving the material. Schreiner agrees to make any changes requested by the Department.

4. Schreiner hereby withdraws its appeal of the proposed fine action. The Department and Schreiner agree that the proposed fine action is fully resolved.

5. The Department agrees not to initiate any further administrative action against Schreiner based on the Clery Act findings included in the letter issued on September 18, 2008.

6. Schreiner agrees to take appropriate action to fully comply with the Clery Act and ensure that all future Clery Act reports are accurate and complete.

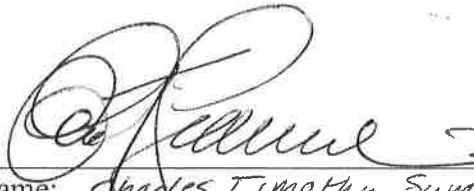
7. This Agreement does not waive, compromise, restrict, or settle:

a. Any past, present, or future violation of the criminal or civil fraud laws of the United States.


b. Any presently pending or future action taken by the United States under the criminal laws or civil fraud laws of the United States. The Department is not aware of any such actions pending against Schreiner based on the Clery Act issues addressed in this Settlement Agreement.

Schreiner and the Department each warrant that the undersigned representative is authorized to sign this Agreement on its behalf.

Dated: April 23, 2010


Name: Charles Timothy Summerton
Title: President
for Schreiner University

Dated: July 2, 2010


Mary E. Gust
Director, Administrative Actions
and Appeals Division
Federal Student Aid
for the United States Department of Education